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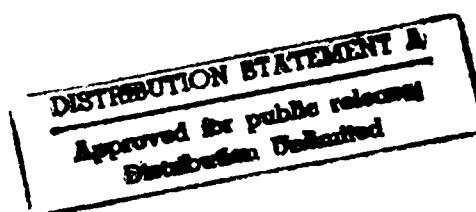
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A RAND NOTE

Security Trends and U.S.-ROK Military
Planning in the 1990s

Norman D. Levin

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**Security Trends and U.S.–ROK Military
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Norman D. Levin

**Prepared for the
Director of Net Assessment,
Office of the Secretary of Defense
Under Secretary of Defense for Policy**

RAND

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PREFACE

In 1989, RAND began a collaborative research project with the Korea Institute for Defense Analyses (KIDA) to assess possible changes in the roles, missions, capabilities, costs, and responsibilities of U.S. and South Korean military forces in light of changes in the global and regional security environments and emerging technology. The project has three aims: to formulate several broad alternatives for the two allies' forces; to consider how the two allies might bear their costs and burdens, in keeping with the changing capabilities of their national economies and the respective constraints on them; and to evaluate those alternatives from both U.S. and South Korean perspectives.

The research was sponsored by the Under Secretary of Defense for Policy and the Director of Net Assessment, Office of the Secretary of Defense. It was carried out in the International Economic Policy program of the National Defense Research Institute, RAND's federally funded research and development center sponsored by the Office of the Secretary of Defense and the Joint Staff. Research was completed in July 1990. The initial draft of this Note was revised slightly following a RAND/KIDA meeting in November 1990, but no new substantive research was conducted. The Note should be of interest to policymakers in the defense and foreign policy communities of both South Korea and the United States.

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SUMMARY

This Note analyzes the broad global and regional trends likely to affect the future Asian security environment. Its principal objective is to identify alternative future environments and plausible military contingencies that could test U.S. and South Korean (ROK) forces in the 1990s.¹

The global trends reviewed include the crisis of Communism, the relative shift of economic power to the Pacific region, the proliferation of advanced technology and both nuclear and sophisticated conventional weapons, and the spread of new democracies. The regional trends analyzed include changes within the USSR and in Soviet regional policies; changing relations between China and the Soviet Union; the growing difficulties within the Communist states of the region; the increasingly adverse situation in North Korea; growing instabilities within South Korea; the incipient Asian arms race; and the general U.S. move toward a less prominent regional military posture. This review highlights two broad themes: First, like the international situation, the situation in East Asia is increasing in complexity; and second, the present regional stability obscures fundamental, underlying uncertainties.

Given these complexities and uncertainties, several possible alternative future environments need to be considered. Four broad alternatives based on extrapolations of existing trends are identified: pluralistic open détente, with North Korea gradually participating; pluralistic open détente, with North Korea not participating; loose bipolarity; and renewed polarization. In addition, a more radical transformation of the existing security environment, based on the complete disintegration of the key Communist countries, is also examined.

The most likely military contingency that might test U.S. and ROK forces in an environment of pluralistic open détente with North Korea gradually participating would be an "out-of-area" conflict. In the same general environment with North Korea *not* participating, there would be multiple sources of potential conflict: succession turmoil in Pyongyang; North Korean economic desperation; public discontent in North Korea over political and economic conditions; political instability in South Korea; and South Korean pre-emptive moves against North Korean nuclear facilities or military retaliation to terrorist activity by Pyongyang. The greatest concern in this environment would be local, but major, war on the Peninsula. The most likely conflict contingency in a loose bipolar environment

¹The research reported here was completed in July 1990. The initial draft of this Note was revised in November 1990, but no new substantive research was conducted.

would be one short of local major war, since the continued active involvement of the United States in South Korea's defense would probably continue to deter major North Korean aggression. The principal concern in an environment of renewed polarization, the seemingly least likely of the alternative environments identified, would be major-power conflict. For heuristic purposes, the Note describes illustrative scenarios in which each of these contingencies might arise, as well as a scenario involving major *discontinuities* in the regional security environment.

Several broad implications emerge from the analysis. First, the Communist crisis and the move away from tight bipolarity significantly increase the range of uncertainties and potential conflict contingencies in the region. Second, for this reason, regional military planning can no longer remain so heavily focused on the assumption of global war with the Soviet Union. Third, the danger of large-scale warfare on the Korean Peninsula would appear greatest in an environment of pluralistic open détente with North Korea not participating, which makes the period we appear to be entering particularly delicate. And finally, the *greatest* danger need not be the *most likely* danger. Assuming several conditions are met, the *most likely* military contingency would appear to be conflict short of local, major war.

The following principles or guidelines for U.S. and ROK policy are identified:

- The primary U.S.-ROK military objective over the coming period should remain deterrence.
- Deterrence should be considered in terms of *combined* U.S.-ROK efforts, with the aim being to optimize combined combat capabilities.
- Linkage should be maintained between further U.S. military drawdowns and concrete changes in North Korea, without holding desirable U.S. adjustments hostage to North Korean actions.
- In restructuring and reducing U.S. forces, we should:
 - Proceed gradually in a step-by-step manner;
 - Maintain ample symbols of continued U.S. commitment and involvement, especially the symbolic U.S. flag over Combined Forces Command (CFC) headquarters;
 - Defer further U.S. Air Force drawdowns;
 - Demonstrate increased air and naval reinforcement capabilities in tandem with force reductions;

- Aim toward the gradual assumption by South Korea of full operational control over ROK forces;
- Explore ways in which arms control measures might enhance the balance of power on the Peninsula.
- Inducements to encourage North Korean changes should be given more priority and attention.
- The U.S. military presence in the region as a whole needs to be considered primarily in terms of its role in maintaining system stability.
- Greater analytic effort should be paid to the issue of surprise.

ACKNOWLEDGMENTS

This Note benefited immeasurably from the comments and suggestions of colleagues associated with the collaborative RAND/KIDA research effort, especially General Kwan-Young Hwang, Dr. Kwan-Chi Oh, and Dr. Young-Koo Cha, of KIDA, and Dr. Charles Wolf, of RAND. John Van Oudenaren reviewed the initial draft with his usual care and insight and made many useful suggestions. I am grateful to all of these colleagues for their contributions. As always, I alone am responsible for any errors of fact or interpretation.

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I. INTRODUCTION

Most observers now agree that the world has entered a period of truly historic change. Indeed, this view is so commonplace that its articulation seems almost sophomoric. If the fact of change is widely appreciated, however, neither the future direction nor the implications of the change are well understood. In the case of Asia, which contains seven of the ten largest armies in the world and numerous historic rivalries, the potential consequences of alternative outcomes could be profound.

This Note represents an initial effort to assess the implications of recent security trends for U.S. and South Korean (ROK) military planning. The Note first attempts to synthesize the broad global trends commonly identified as significant by geopolitical analysts. This synthesis provides the context in which regional developments are then analyzed. These data, in turn, become the basis for an assessment of possible futures. The principal objective of this study is to identify broad, alternative future security environments in Asia and plausible military contingencies that could test U.S. and ROK forces in the 1990s. The Note concludes with an assessment of the implications of these environments and contingencies for U.S.-ROK military planning.

II. GLOBAL TRENDS

There is no shortage of trend analyses. Indeed, over the past few years, trend analysis has become something of a growth industry.² The analyses cover a wide range. Although not all of them agree on every point, most include a number of fundamental, underlying trends which, taken together, might be regarded as something of a "general view" of the key developments. Among these trends, the four discussed below seem most relevant to an assessment of Asia's future security environment.

THE CRISIS OF COMMUNISM

The first trend is the crisis, or what is often called the collapse, of Communism. This crisis has multiple sources: economic stagnation and decay, political disorganization, ethnic unrest, and rising nationalist aspirations. What makes it probably irreversible is the information revolution and the increasing ability of both elites and masses within Communist societies to make comparative judgments.³

One result of the Communist crisis has been a general decline in the salience of ideology and a rise in the importance of performance as a basis for regime legitimacy. Put simply, governing elites can no longer rely on indoctrination to command support. In response, most of them have instituted, to one degree or another, programs of economic reform and political reorientation. The exigencies of their internal situations have dictated radical changes in foreign policy as well. Together, these changes have dramatically reduced the perception in the West of a threat from Soviet or Soviet-supported Communism. Nowhere is this reflected more strikingly than in the July 1990 London Declaration, which formally codified the view that both conventional and nuclear war in Europe have become

²To cite only a few of the major trend analyses, see *Discriminate Deterrence*, Report of The Commission on Integrated Long-Term Strategy, Fred C. Iklé and Albert Wohlstetter, Co-Chairmen, January 1988; the series of working group reports submitted to the Commission, entitled *The Future Security Environment*, October 1988, *Supporting U.S. Strategy for Third World Conflict*, June 1988, and *Commitment to Freedom*, May 1988; and *The Changing Security Context: Defense Issues and Choices for the 1990s*, Vols. I and II, Science Applications International Corporation (SAIC), November 1988. For a comprehensive treatment of recent Asian political, economic, and security trends, see the three volumes edited by Robert Scalapino, Seizaburo Sato, Jusuf Wanandi, and Sung-joo Han, respectively titled *Asia and the Major Powers: Domestic Politics and Foreign Policy*; *Pacific-Asian Economic Policies and Regional Interdependence*; and *Asian Security Issues: Regional and Global*, University of California, Berkeley, 1988.

³Among many who make this point, see Albert Wohlstetter, "Towards a Coherent Framework for Cooperation and Competition," forthcoming; Robert Scalapino, "Asia and the United States: The Challenges Ahead," *Foreign Affairs*, February 1990, pp. 89-91; and Robert Scalapino, "The International Context of U.S.-Korea Relations," forthcoming.

much more unlikely, significantly modified NATO's military strategy and nuclear weapons policy, and committed NATO to make substantial changes in the nature, training, and disposition of its armed forces.⁴

Although the collapse is probably irreversible, it is not certain how the situations within each of the Communist countries will ultimately develop. The inherent inefficiencies and absurdities of the economic systems in those countries make reform an extraordinarily complex undertaking. The decline of single-party states and growing popular alienation foster political polarization, which further exacerbates the task of economic renewal.

In this environment, the crisis of Communism is likely to be protracted, painful and potentially perilous. Continued stagnation and fragmentation are as likely as renovation. Heightened nationalism and ethnic strife are as plausible as smooth progress toward democracy and decentralization. The prospects for stability will continue to hang in the balance. There are important differences between European and Asian Communism, as there are between the USSR and Eastern Europe and among the East European states themselves. The fundamental problems and uncertainties, however, are common to all.

THE SHIFT OF ECONOMIC POWER

A second underlying trend is the relative shift of economic power to the Pacific region. This shift has been in progress for some time. In 1960, the combined national products of Japan, China, South Korea, and Taiwan were roughly half those of West Germany, France, and the United Kingdom (\$500 billion in 1986 U.S. dollars versus \$1 trillion); by 1980, they surpassed those of the three European powers. According to recent estimates, the combined national products of the four Asian countries could exceed those of West Germany, France, and the United Kingdom by as much as 120 percent (\$8.5 trillion in 1986 U.S. dollars versus \$3.9 trillion) by the year 2010.⁵ These same estimates project the combined GNP of the four Asian countries to surpass that of the United States as early as the turn of the century. Even today, the twelve largest Asian economies account for nearly one quarter of the world's GNP.

This transformation has resulted from sustained high rates of growth. Between 1970 and 1980, the eight leading Asian nations after Japan (South Korea, Taiwan, Hong Kong, Singapore, Thailand, Malaysia, Indonesia, and the Philippines) averaged growth rates of nearly 8 percent, with China averaging 5.5 percent; between 1980 and 1990, these rates were

⁴For the text of the London Declaration, see *The New York Times*, July 7, 1990.

⁵Charles Wolf et al., *Long-Term Economic and Military Trends, 1950-2010*, RAND, N-2757-USDP, April 1989, p. 7. Greater European economic dynamism, spawned by German unification and events in Eastern Europe, could lower these estimates somewhat, although the underlying trend would still exist.

over 6 percent and 9 percent respectively. The rates for both decades far exceeded those of the key West European nations (less than 2.5 percent). Most projections anticipate somewhat slower growth for the Asian countries over the next decade, probably in the range of 3 percent (Japan) to 5 percent (the other eight leading Asian nations). But even these somewhat lower growth rates would be considerably higher than the approximately 2 percent projected for Western Europe.

As a result of this rapid and sustained growth, the Asia/Pacific countries have already become major actors in global trade. For over a decade, U.S. trade across the Pacific has surpassed that across the Atlantic; in 1988, the former exceeded the latter by almost 50 percent, with East Asia now accounting for over one-third of total U.S. foreign commerce.⁶ Excluding Japan, the nine leading Asian nations alone accounted for 17 percent of total U.S. trade in 1988, exceeding the bilateral U.S. trade with Japan (16.8 percent). Similarly, the share of Japan's total trade with these countries (28 percent) was almost as large as that with the U.S. (29 percent), and substantially larger than the share of Japan's trade with the European Community (15.8 percent).⁷ Thus, the Asia/Pacific region has become an increasingly important factor in the well-being of both Japan and the United States.

The relative shift of economic power to the Pacific also has had important political effects. With increased capabilities, the countries of the region are developing greater national self-confidence and self-esteem. This is feeding a rebirth of nationalism. It also is fostering greater Asian willingness to assume larger responsibilities and play broader regional roles, contributing to the global trend of greater political multipolarity. In the United States, the shift exacerbates national anxieties over American competitiveness and helps undermine political support for an active role in regional defense—particularly in the context of U.S. budgetary difficulties and a declining threat from the Soviet Union.

PROLIFERATION

A third trend is the global proliferation of advanced technology and both nuclear and sophisticated conventional weapons. As noted in the report of a Commission on Integrated Long-Term Strategy working group, the assumption of U.S. strategic planning throughout the first half of the postwar period that hostile military power was concentrated in the hands of the USSR and its peripheral allies is becoming less and less valid.⁸

⁶Richard Solomon, "The Promise of Pacific Cooperation," *Current Policy*, No. 1208, U.S. Department of State, October 1989.

⁷K. C. Yeh et al., *The Changing Asian Economic Environment and U.S.-Japan Trade Relations*, RAND, R-3896-CUSJR, September 1990, p. 3.

⁸*The Future Security Environment*, op. cit., pp. 47-48.

Several factors have contributed to this situation: dramatic increases in the sales or transfers of military equipment to Third World countries as a result of the intensified superpower competition in the 1970s and early 1980s; the heightened ability of many Third World countries to demand top-of-the-line equipment as a result of increased competition among vendors for arms exports; and the availability of greater resources to many of these countries as a result of increased oil prices and/or sustained high rates of economic growth.⁹ These trends have been expedited by the spread of heavy and electronics industries, as well as by the increased emphasis on domestic production of weapons through indigenous R&D, licensing agreements, and technology transfers. These factors have enabled a number of the states to acquire sophisticated weaponry while developing domestic arms industries and becoming actors in the international arms market.

Third World country inventories now include such conventional weapon systems as advanced fighter and fighter/bomber aircraft (e.g., Soviet MiG-25s and MiG-29s; American F-15s, F-16s, and F-18s; and British Tornados) and sophisticated surface-to-air, air-to-air, air-to-surface, and surface-to-surface missiles (e.g., Soviet SA-14s, Scud-Bs, and SS-21s; U.S. Stingers, Sparrows, and Harpoons; and French Exocets). Many states also now possess—and in some cases indigenously produce and export—their own ballistic missiles, while a growing number have or are developing the capability to produce chemical weapons.¹⁰ Nuclear proliferation is a growing concern.

The precise implications of this proliferation are not fully understood. The global diffusion of advanced technology and sophisticated weapons could affect at least the scope of future conflicts, if not necessarily their likelihood or intensity. Proliferation is also almost certain to allow some emerging powers to “leapfrog” older technologies. This will reduce the influence of the major powers and erode the distinction between nuclear and nonnuclear nations. At a minimum, proliferation will contribute to a more complex and potentially unstable international environment.

THE SPREAD OF DEMOCRACY

The fourth global trend that is likely to influence the nature of the Asian security environment is what U.S. Secretary of State James Baker has described as the “demand for democracy.”¹¹ This trend, widely trumpeted by the United States since the “winds of

⁹Lewis Dunn and James Tomashoff, *New Technologies and the Changing Dimensions of Third World Military Conflict*, Center for National Security Negotiations, April 1990, pp. 3-7.

¹⁰Andrew Mack, “Missile Proliferation in the Asia-Pacific Region,” forthcoming.

¹¹“A New Pacific Partnership: Framework for the Future,” *Department of State Bulletin*, August 1989, p. 64.

freedom" rhetoric of the mid-1980s, is incontrovertible. Over the past decade, the aspiration for greater democracy manifested itself on virtually every continent, and a spate of new democracies arose in Latin America, Asia, and, most recently, Eastern Europe.

The causes of this trend varied. In some cases, new democracies sprang from the growing—and ultimately untenable—gap between high levels of socioeconomic achievement and low levels of political development. In other cases, democracies were less created than restored when colonial and/or internal military control collapsed. The revolutionary effects of information technologies were evident almost everywhere.

Some of the East European states, such as Czechoslovakia and Hungary, are relatively well-positioned for democracy to succeed. With high educational levels, a generally equitable distribution of income, and a tradition of democratic practices, they have good opportunities to establish freer, more pluralistic and participatory political systems. Many others, however, lack either democratic traditions or sociocultural backgrounds that are tolerant of diversity. As these states move toward greater parliamentarianism, they tend to encounter serious difficulties. Demands for improved living standards and a more egalitarian distribution of national wealth frequently clash with the imperatives of economic development. Traditional leadership patterns often collide with the norms and requirements of democratic rule. Achieving civilian control over military and internal security forces is almost always a time-consuming and ongoing challenge.

To some extent, student demonstrations, labor struggles, and the "noise" of parliamentary politics are healthy and even necessary concomitants to the democratic transition. Indeed, they are often what democracy is all about. But in many cases, they are symptoms not of strength but of weakness. The repeated military coup attempts in the Philippines or street barricades in Nicaragua, for example, cannot be dismissed as manifestations of a "normal" democracy. They are symptoms of serious, fundamental difficulties. At their extreme, such difficulties can threaten the basic social order. Even short of extremes, they can generate political paralysis and set back economic growth. All of this highlights one aspect of the new democracies that is not often mentioned: their inherent fragility.

III. REGIONAL DEVELOPMENTS

THE SOVIET UNION

Virtually all of the global trends noted in Sec. II have resonance in Asia. First, the dramatic changes within the USSR are beginning to alter the Soviet threat in Asia, as they already have in Europe. The Soviets have withdrawn from Afghanistan, drawn down their forces in Mongolia and along the Sino-Soviet border, and unilaterally withdrawn the bulk of their forward-based assets from Vietnam. They have removed their medium-range missiles from the Far East as part of their commitment under the INF Treaty to scrap all intermediate nuclear forces. And they have reduced both their naval strength and the scope of their naval activities in the Pacific, while slowing the pace of modernization for Soviet naval vessels and increasing the scrapping of aging ships. Although the USSR continues to modernize its long-range, deep-penetration aircraft and submarines, its ability to conduct sustained offensive operations in Asia is increasingly limited.¹²

All of this reflects the exigencies of Moscow's domestic situation and its need for a long period of peace. It also reflects a belated Soviet recognition of the economic importance of the Asia/Pacific region. In an effort to tap into Asian economic dynamism, the Soviets have downplayed the utility of military force, played up arms control and the peaceful resolution of disputes, and replaced ideological cant with more traditional diplomatic practices.¹³ As long as Moscow stays focused on improving its economy, both the superpower competition in the region and the danger of a Soviet-American conflict are likely to diminish.¹⁴

At the same time, however, the USSR's fundamental security concerns continue to influence its policies. Because of its geostrategic vulnerability in the Far East and the extreme isolation of its eastern portions, the Soviet Union maintains a large portion of its total combat capability in the region. The Soviets continue to be concerned in particular about protecting their nuclear bastion in the Sea of Okhotsk and the air and sea assets deployed in the Far East for this purpose. There also has been no evident change in key Soviet policies, such as those concerning Japan's Northern Territories. Although many

¹²*Far Eastern Economic Review*, August 31, 1989, pp. 29-30.

¹³Carolyn McGiffert Ekedahl and Melvin Goodman, "Gorbachev's 'New Directions' in Asia," *Journal of Northeast Asian Studies*, Fall 1989, pp. 3-6. Also see Coit Blacker, "The USSR and Asia in 1989," *Asian Survey*, January 1990, pp. 1-12; Donald Zagoria, "Soviet Policy in East Asia: The Quest for Constructive Engagement," *The Korean Journal of Defense Analysis*, Summer 1990, pp. 7-31; and Harry Gelman, *The Soviet Military Leadership and the Question of Soviet Deployment Retreats*, RAND, R-3664-AF, November 1988.

¹⁴Jonathan Pollack and James Winnefeld, *U.S. Strategic Alternatives in a Changing Pacific*, RAND, R-3933-USCINCPAC, June 1990, p. 11.

observers expect imminent changes, Moscow's willingness to modify its policies in these critical areas remains uncertain.

SINO-SOVIET RELATIONS

A second area of resonance concerns Sino-Soviet relations. For nearly two decades, the hostility between the two major Communist powers has been a central element in the Asian strategic environment. Since coming to power, Gorbachev has made improving relations with China the centerpiece of his Asian policies, and there has been a significant reduction of bilateral tensions over the past few years.

Much of this reduction came as a result of unilateral Soviet gestures. The Soviets conciliated Beijing, for example, by moving to eliminate virtually all of its "three obstacles": They withdrew from Afghanistan, reduced their military forces in Mongolia and along the Sino-Soviet border, and put pressure on Vietnam to end its occupation of Cambodia. The Soviets conceded to the Chinese on the demarcation of the Amur River, which generated a significant increase in cross-border trade and new planning for the joint development of water resources along the border. And they agreed to resume technical assistance to Chinese factories, while cutting back on hostile polemics. Gorbachev's visit to Beijing in May 1989, the first top-level Soviet visit to China in 30 years, symbolized the restitution of normal relations.

"Normalization," however, does not imply a return to intimate or even close relations. Both countries continue to be deeply suspicious of each other, and they remain long-term geopolitical rivals in Asia. Moreover, continuing differences in domestic policy reinforce the mutual wariness and distance.

For now, however, both countries see a need for a peaceful international environment and alleviation of bilateral tensions to enable them to focus on their paramount priority, economic modernization. As long as they maintain this focus, the prospects for a Sino-Soviet military conflict will continue to diminish. A key question for the future will be whether internal instabilities in either or both countries will upset the pursuit of this common interest.

ASIAN COMMUNISM

The increasing difficulties of the Asian Communist states constitutes a third trend that is likely to affect the future regional security environment. There are, to be sure, important differences between European and Asian Communism. With the exception of Mongolia, for example, all of the Asian Communist states are trying to keep their political systems intact while they begin to carry out economic reforms. (North Korea is a separate

case.) Also unlike those in Eastern Europe, most of the Communist parties of Asia came to power through home-grown revolutions or struggles for liberation from foreign domination; hence, they have a legitimacy that is lacking in much of Eastern Europe. The still predominantly peasant-based economies, general absence of a large urban middle class, and lack of any history of Western-style multiparty democracy in most of these Asian countries all combine to limit, or at least muffle, the Communist crisis.¹⁵

The fundamental problems associated with Communism, however, are common to all the Asian Communist states. The inherent difficulty of separating economic and political reform is apparent in China, where the events at Tienanmen Square seriously undermined China's international position and exacerbated existing problems in the agrarian and industrial sectors. Major leadership disagreements over fundamental issues—such as the relationship between the market and state planning and the scope and pace of reform—bolster inflation, corruption, and bureaucratic opposition in hindering reform. In this environment, the prospect of protracted struggles for power as the aging, revolutionary-era leaderships pass from the scene highlights the potential for major instability.

Gorbachev's radical efforts to remake the Soviet Union, if anything, intensify the difficulties for the Communist states of Asia. By seeking a new relationship with Washington and the West, Gorbachev has pulled the rug out from under key allies such as Vietnam and North Korea, while undermining China's already minimal leverage vis-à-vis the United States. By moving toward democracy and more of a market economy at home, Gorbachev is challenging the authority of Communist states throughout the region.

NORTH KOREA

Perhaps nowhere are the difficulties as acute as in North Korea. To be sure, the North Koreans were facing formidable difficulties even before the recent developments in the Communist world.¹⁶ With population growth outstripping food supply, rationing taking place in critical consumer areas, and raw material and energy resources rapidly being depleted, the North Koreans have long been confronting major economic difficulties. These difficulties coincide with indications of rising public discontent. Periodic reports of wall posters criticizing the government's economic policies mesh with other accounts of Communist Party dissension and worker unrest. All of this is taking place, moreover,

¹⁵Washington Post, April 25, 1990, and The New York Times, June 20, 1990.

¹⁶For a more expanded treatment from which this section is drawn, see Norman D. Levin, "Global Détente and North Korea's Strategic Relations," *The Korean Journal of Defense Analysis*, Summer 1990, pp. 33-53.

against the backdrop of Kim Il Sung's effort to transfer political power to his son, Jong Il, in the Communist world's first hereditary succession.

The dramatic developments in the Communist world exacerbate Pyongyang's predicament in several ways. For one thing, they weaken North Korea's ability to rely on allied support for its "reunification" policies. As was apparent in Gorbachev's stunning decision to meet with South Korean President Roh and the subsequent establishment of diplomatic relations between Moscow and Seoul, North Korea is no longer able to induce the major Communist powers to subordinate their interests to those of North Korea. For another thing, recent developments further complicate the task of political succession. By generating pressures for domestic North Korean changes to mesh better with Communist-bloc transformations, and by linking political legitimacy more closely to economic and social performance, they strengthen reformist North Korean forces and complicate Kim's effort to ensure continuation of his "revolutionary tradition."

Most important, the developments reinforce North Korea's growing isolation. Although Pyongyang has long been a pariah in the Western world, its domestic and foreign policy rigidity is increasingly putting it at odds with the dominant trends in the Communist world as well. The North Koreans undoubtedly have been heartened by the turn of events in China since 1989. But they know that even Beijing would like to see changes in North Korea, and they have to be concerned about the rapid erosion of support from almost everyone else. As North Korea increasingly backs itself into a corner, it could become less risk-averse and hence even more unpredictable. This is the fourth important regional trend that is likely to affect the future security environment.

SOUTH KOREA

A fifth trend is an intensification of tensions and instabilities within South Korea. The roots of these instabilities lie in the ROK's dramatic socioeconomic transformation. Over the past quarter-century, for example, South Korea's population increased by 55 percent; the proportion of farmers decreased by nearly two-thirds, while the proportion of those involved in manufacturing tripled; the average Korean diet increased from about 2,000 to nearly 3,000 calories a day; the proportion of women in the workforce rose to 45 percent; and per capita income increased from around \$500 to over \$4,000.¹⁷ In the process, South Korea transformed itself within a single generation from a poor, rural-based country to a modern, largely urban, middle-class society.

¹⁷*The Economist*, April 15, 1989, pp. 23-26.

If the changes over the past 25 years have been dramatic, those over the past three have been extraordinary. In this short span of time, South Korea broke with nearly three decades of military-dominated rule and moved definitively toward democracy. It established extensive relations with the Communist world after decades of nonrecognition. And it jettisoned 40 years of efforts to isolate North Korea in favor of a new set of policies designed to open Pyongyang up and facilitate its integration into the world community. Overnight, unification moved from private aspiration to national policy priority, and new talk of a "national community" replaced the past obsession with the North Korean "threat." Nationalism revived, fueled by South Korea's growing self-confidence as an increasingly important regional and global actor. Democratization and decreased threat perceptions generated unprecedented downward pressures on the defense budget and diminished popular support for the U.S. military presence.

Given the inherent turbulence of this transformation, South Korea has progressed, on the whole, relatively smoothly. Its economy continues to grow at a healthy, if considerably slower, rate, and the South Koreans continue to demonstrate extraordinary national resilience. Certainly the problems in South Korea pale in comparison to those in the north. But, as in new democracies everywhere, these problems are real, and in certain respects they are growing.

Some of the problems concern bread-and-butter issues. Double-digit inflation and skyrocketing land and housing prices, for example, are creating a new class of "have-nots" with tenuous commitments to the existing order; a plummeting stock market is wiping out the savings of many ordinary citizens. Other problems are broader in nature: incessant wildcat strikes and violent student demonstrations, which are beginning to fray the social fabric; dissension and infighting within the political establishment, which is paralyzing political leadership; vacillation in policy between an emphasis on order and an emphasis on reform, which is undermining government confidence and fostering public cynicism.

Cutting across these is another problem common to new democracies: fulfilling high expectations. Although South Korea has made tremendous progress in a very short time, the "reality/expectations gap" is large and growing. This is fueled in part by television, which tends—in Korea as elsewhere—to reinforce the perceptions of the "have-nots." More fundamentally, however, as the lives of South Koreans have changed, so have their attitudes. Vociferous demands for improved housing are a product not only of increased affluence, but

also of new convictions that workers have been left out of South Korea's economic miracle. Democratization has turned attention more broadly to income distribution as well as to total economic growth. By most measurements, the "gaps" in South Korea are not as bad as those in many countries. The general *perception* of the gaps is serious, however, and the government is having a hard time reconciling its desire to address this perceived gap with other conflicting policy objectives.

One result has been growing anger, anxiety, and popular frustration. Another has been erosion of the postwar policy consensus behind "security" and "economic development" and increasing political polarization. The merger of the ruling and two opposition parties into the Democratic Liberal Party, which was designed to provide a stable ruling majority and achieve greater societal consensus, has not altered these trends. On the contrary, it has strengthened them by heightening dissension among the ruling forces and stimulating popular fears of a perpetuation of authoritarian control. The growing extremism and violence in South Korea could, if not dealt with skillfully, set back the country's economic progress and undermine its fragile democracy. It could also send the wrong signal to North Korea and heighten the danger of North Korean miscalculation.

REGIONAL MILITARY EFFORTS

An incipient Asian arms race is a sixth regional trend resonating from broad global developments. This is probably not as surprising as it may at first appear: Asia has seven of the ten largest militaries in the world; the size and diversity of the region ensure the presence of numerous animosities, ethnic and religious tensions, and historic regional rivalries, which the improvement in superpower relations and the lifting of the Cold War superstructure have resuscitated; and the successful growth and development of the region over the past decade have made new resources available for national military purposes.

At the same time, growing population pressures, decreasing global reserves of petroleum, and increasing competition for food, water, and other natural resources have encouraged increased Asian attention to securing territorial land and waters. The generally successful handling of domestic insurgencies—with the notable exception of that in the Philippines—has facilitated this shift in attention by enabling non-Communist Asian countries to focus greater attention on *external* threats to their security. As a result, most of these countries are not only expanding their military capabilities, but giving greater priority to the strengthening of air and naval capabilities. This involves major capital investments in planes and ships and a general modernization of military forces.

The increased attention to external security is reflected in Asian military spending. Japanese increases have averaged roughly 5 percent per year for the past decade. Although the recent pressures are downward in South Korea, the government continues to allocate roughly 5 percent of its GNP to defense. Even the ASEAN states are increasing defense spending: Thailand's defense budget increased 16 percent in 1989, to over \$2 billion; Malaysia's budget expanded by 20 percent over the past two years; and Singapore's defense budget now totals some \$1.5 billion annually, which represents nearly a quarter of the total government budget and 5.5 percent of GNP.¹⁸ Including China, India, and Australia, regional military spending is now around \$60 billion and is expected to more than double over the next decade.

Much of this spending is directed toward acquiring sophisticated weapons. Japan plans to procure an advanced fighter plane (FSX), AEGIS-equipped destroyers, and AWACs in its next defense plan. South Korea, Singapore, and Indonesia all have F-16s. India, Pakistan, China, Taiwan, and both North and South Korea have ballistic missiles either already in service or under development. Along with increasing technological skills and organizational changes within the military services that have improved command and control, such acquisitions are significantly raising the military capabilities of many Asian countries. They also suggest a trend masked by the reduced prospects for conflict between the superpowers: the increasing danger of conflicts between or among *regional* powers. China's skirmish with Vietnam over the Spratley Islands may be a harbinger of what to expect in the coming era.

THE UNITED STATES

A final key trend is a general move by the United States toward a less prominent regional military posture. This move stems from both global and domestic U.S. factors. Globally, the crisis of Communism and the reduced Soviet threat undercut the rationale for the kind of dominant role the United States has played for the past four decades. To be sure, the situation in Asia today is not the same as that in Europe. The United States, moreover, has important reasons for maintaining an active presence in the Pacific, quite apart from the superpower competition. But the need for large U.S. military deployments predicated on the assumption of a global conflict with the Soviet Union is rapidly evaporating. Given the extraordinary growth and continued economic dynamism of most of the market-oriented states of the region, their ability to play larger roles in their own security further undercuts the argument for continued U.S. assumption of a heavy regional security burden.

¹⁸*The New York Times*, May 6, 1990.

A number of factors *within* the United States heighten the trend toward a less prominent posture. One is the U.S. budget deficit. Excluding costs for the savings and loan cleanup, the 1990 fiscal year's deficit is now expected to exceed \$161 billion. The most recent Administration estimates project this deficit to grow, in the absence of changes in taxes or spending, to \$169 billion in fiscal year 1991.¹⁹ Such a figure would be more than \$100 billion over the deficit reduction target (\$64 billion) set by Congress in the Gramm-Rudman-Hollings legislation and could precipitate cuts of 38 percent from domestic programs and 25 to 41 percent (depending on whether military personnel are excluded from the cutback or not) from military programs. Budgetary slashes of this magnitude could eliminate half of all U.S. military forces, while wreaking havoc on a range of essential domestic programs. Even cuts substantially short of this will seriously limit U.S. resources. Although the crisis atmosphere currently being created in Washington can partly be written off as budgetary politics, the need to address long-standing domestic needs in an era of sharply reduced budgets can not. Short of a direct threat to critical U.S. interests, the budget deficit will inevitably constrain U.S. willingness to shoulder expensive new international obligations.

Another factor is a significant change in American attitudes. The United States is currently going through a period of national introspection—stimulated by the rising economic challenge from Japan and Western Europe and the reality of global economic interdependence. This is generating serious public concern about U.S. "competitiveness" and a new form of economic nationalism.²⁰ At the same time, the collapse of Communism is creating confusion regarding appropriate long-term U.S. goals, while contributing to an unraveling of the de facto coalition between "traditional" and "neo" conservatives that underpinned the global activism of the Reagan Administration.²¹ Both trends are moving public attention away from military to economic security. In the process, they are eroding support for free trade and fostering both a renaissance of unilateralist sentiment and a general turning inward.

A final domestic factor contributing to the trend toward a less prominent U.S. posture is the relative shift of power from the executive to the legislative branch and growing Congressional efforts at micromanagement. Underlying these efforts are multiple historic forces: the Vietnam War and the demise of bipartisanship; the decentralization and democratization of Congress; the decline of party discipline; the information revolution;

¹⁹*The New York Times*, July 17, 1990.

²⁰ See, for example, the four-part series in the *Los Angeles Times*, August 6-10, 1989.

²¹ For an interesting depiction of this trend, see Charles Krauthammer, "The Conservative Crackup," *Washington Post*, September 22, 1989.

Watergate, Iran-Contra, and the weakening of executive authority. As a result of such forces, Congress has come to aggressively assert its constitutional prerogatives, while inserting itself into everything from nuclear strategies to bureaucratic personnel policies.²² This penchant for micromanagement not only ties up the bureaucracy with countless hours of report writing, it also undermines the authority of the President and exacerbates the task of achieving a bipartisan foreign policy. In the process, it hinders the formation of a national consensus behind an internationalist set of policies.

²²Examples of Congressional amendments considered in 1989 include an effort to provide bonuses to military psychologists (approved); an attempt to prevent the National Guard from requiring civilian employees to wear military uniforms while doing civilian service (rejected); an effort to facilitate the international conservation of sea turtles (approved); and an attempt to prohibit the State Department from initiating contacts with Manuel Noriega, then the ruler of Panama (rejected). (*Los Angeles Times*, August 5, 1989.)

IV. FUTURE SECURITY ENVIRONMENTS

GENERAL THEMES

This analysis of global and regional trends highlights two general themes relevant to an assessment of Asia's future security environment: First, the increasing complexity of the international situation depicted by most global trend analyses is also true of the situation in East Asia. Continued economic growth in most of the market-oriented states of the region coexists with Communist stagnation. The general trend toward democracy exists alongside serious political vulnerabilities. The global move toward détente masks historic rivalries and incipient arms races in Asia. While growing interdependence is fostering a search for new forms of cooperation, it is also strengthening already heightened nationalism throughout the region. Significantly improved economic and military capabilities are countered by continuing—and in some cases increasing—political constraints on the assumption by key Asian states of larger roles and responsibilities. A decreased likelihood of superpower conflict is juxtaposed against heightened dangers of clashes at lower ends of the conflict spectrum.

Second, the present regional stability obscures fundamental, underlying uncertainties. If the crisis of Communism is impelling change throughout the Communist world, for example, the penetrability of states like North Korea remains to be demonstrated. If reduced tensions are the paramount requirement to facilitate economic reform and modernization, national divisions (e.g., North/South Korea, China/Taiwan) and internal instabilities are sources of major discontinuities. If the broad trend toward greater multipolarity is clear, there are many uncertainties about the kinds of *policies* that "multipolarity" will generate.

Given these complexities and uncertainties, it is not possible to make a simple projection of existing trends. Nor is it possible to assume a single evolution of the Asian security environment. Several alternative environments need to be considered.

BROAD ALTERNATIVES

Among a number of conceivable environments, four broad alternatives seem most likely. All of these flow from the key trends identified in the preceding section and are based on different assumptions about the future evolution of those trends.

The first might be called "*pluralistic open détente, with North Korea gradually participating.*" This environment probably comes closest to the current conventional wisdom. It would involve a significant further lowering of the salience of ideology and a reduction of tensions between the superpowers; a further increase in the importance of domestic—

especially economic—priorities; and a further opening of international political, economic, financial, and cultural interactions. As new actors rise and play larger local and regional roles, a politically more “multipolar” environment would materialize. The superpowers would become decreasingly involved in regional disputes, and conflict would become increasingly localized. The U.N. and other international organizations would play larger roles in the resolution of existing conflicts. U.S. facilities in the Philippines would be phased out and their functions disaggregated.

As global and regional tensions diminished, the United States would significantly scale back—and perhaps completely phase out—its military presence in Korea. This would be expedited by a gradual process of détente between the two Koreas, based on a North Korean move toward internal reform and external opening. The projection of North Korean change is based on either of two possibilities: the death of Kim Il Sung and the need of a successor to alter policies in order to solidify his position, or the exacerbation of North Korean economic difficulties to the point where, whatever the regime in power, Pyongyang would be forced by the exigencies of its situation to change directions.

The second broad environment might be called “*pluralistic open détente, with North Korea not participating.*” This environment would be essentially the same as the first, except that Pyongyang, for one or more reasons, would opt out. Economic security would take precedence over military security. Ideological competition would diminish. The superpowers would become decreasingly involved in regional disputes, and conflict would become increasingly localized.

As the emphasis on its internal problems increased and multipolarity advanced, the United States would significantly scale back its regional military presence. South Korea would play a much larger role in its own defense and would bolster its ties with Tokyo. North Korea would maintain its objective of reunification on North Korean terms and would continue—and perhaps step up—its efforts to undermine South Korean progress and stability. These efforts would probably take place, however, under a “smile diplomacy” or “dual-track” approach. Periodic indications of North Korean flexibility on process issues would coexist with rigidity on matters of substance.

Although one of these two broad environments appears at present to be most likely, at least two others are also possible. One might be called “*loose bipolarity.*” This environment would resemble in certain respects the world from the early 1970s to the mid-1980s. It would be more focused on the strategic competition between the superpowers than the two environments listed above and, despite the strength of the Japanese economy and the move toward European integration, would be less multipolar in terms of practical policy outcomes.

Such an environment would have a number of characteristics. The Soviet Union, minus the Warsaw Pact but led by a more traditional Soviet leadership, would revert from its present orientation. It would continue to try to ameliorate its domestic economic difficulties but without cost to its national objective of expanding Soviet political influence and undermining the U.S. global and regional position. Arms control agreements would coexist with remaining fundamental conflicts of interests. China would retain its general emphasis on economic reform and modernization, as well as its opening to the West, and Sino-Soviet ties would be constrained by the long-term, geostrategic competition of the two Communist powers. Despite *relative* shifts in economic strength, the position of the United States as the only power able to act across the board (politically, economically, and militarily) and on a global basis would not change. The United States would continue to experience resource constraints, but renewed concerns about the Soviet Union would bolster public support for maintenance of an active foreign policy and a forward-based military posture. Japan and Western Europe, though gradually expanding their horizons and political roles, would remain preoccupied with domestic issues and limited by internal political constraints and domestic leadership weakness.

On the Korean Peninsula, continued North Korean rigidity would be bolstered by continued Soviet, perhaps Chinese, assistance. North-South talks would take place on and off without showing substantive progress. The United States would seek to transfer greater military responsibilities to the ROK but would remain actively involved in its defense against North Korea.

The fourth alternative, which might be called "*renewed polarization*," would involve a strengthened or enlarged Western coalition. This environment is largely self-explanatory. It could be brought about by the return of an aggressive Soviet leadership bent on restoring Communism at home and solidifying Soviet influence in the remaining parts of the Soviet empire. Chinese expansionism or Soviet-backed North Korean adventurism could have a somewhat similar effect. This environment is the most difficult to imagine under present circumstances. If it did come to pass, however, we would see a further institutionalization of allied ties and expanded "burden-sharing" efforts.

In addition to these broad alternatives derived from extrapolations of existing trends, a more radical transformation of the existing security environment, based on one or more major discontinuities, is also possible. For example, a breakdown of the current world trading order, the rise of protectionism and the creation of rival trading blocs, and full-scale Japanese rearmament are not inconceivable. We could see a far more rapid and dramatic improvement in relations between North and South Korea—including some formal

association or concrete steps toward unification—than anyone is currently anticipating. A political disintegration of the Soviet Union or China and the development of “warlordism” or protracted, violent civil strife can not be excluded. Like a precipitate, unilateral withdrawal of the United States from the region and a return to isolationism, such discontinuities would transform the Asian security environment and present a different set of issues for regional military planning.

MILITARY CONTINGENCIES

Pluralistic Open Détente with North Korea Participating

If the conventional wisdom is right and the 1990s turn out to be a decade of global détente and economic integration, with North Korea jumping on the reform bandwagon and taking concrete steps to reduce military capabilities and tensions with South Korea, then the likelihood of military conflict on the Peninsula would presumably diminish significantly. In this environment, *the greatest danger would be “out-of-area” conflicts* that challenge important American and Korean interests, particularly the sea lines of communication. Although most observers understandably focus on the Middle East, it is not inconceivable that challenges could arise within the Pacific region. A threat to the Southeast Asian straits is described for illustrative purposes in Scenario A below.²³

Scenario A

Soviet-American relations improved dramatically over the first half of the 1990s as Moscow continued its determined push to institute a democratic political system and a market economy. The new Chinese leadership, headed by former Shanghai Mayor Zhu Rongji, significantly expanded its policies of reform and modernization. And a breakthrough was achieved on the “northern territories” issue, enabling a major expansion of Soviet-Japanese economic interactions and an improvement in political relations.

In the wake of the decision made by North Korea’s new leadership in 1992 to open the country, institute economic and political reforms, and adopt a long-term, step-by-step approach to “reunification,” relations between the two Koreas improved dramatically. Unilateral North Korean force reductions and confidence-building gestures were complemented by bilateral arms control talks and the establishment of the Conference on Peace and Cooperation in Korea (CPCK), which provided for multilateral discussions concerning three “baskets” of issues (tension reduction, human rights, and “unification

²³Detailed scenarios run the risk of being rejected because a reader may disagree with one or more events in the chain of events described. The scenarios portrayed here are quite detailed despite this risk because of the belief that this detail is needed to credibly describe the *type* of events which could lead to a situation requiring a military response. It is important to stress that these scenarios are not put forth as predictions, nor do they reflect judgments about present or future national actors. They are simply suggestive of plausible—or at least not inconceivable—events which, if they did occur in some form, could well necessitate a military reaction. They are meant purely for heuristic purposes. Scenario A is drawn in part from some preliminary work done at RAND by John Cushman.

through cross-acceptance"). By the fall of that year, negotiators reached agreement on both an overarching "Statement of Principles Concerning Peace and Unification in Korea" and specific initial measures to reduce tension on the Peninsula, including the demilitarization of the DMZ and the asymmetrical pullback of Korean military forces. Both sides agreed on joint admission to the United Nations, without prejudice to their mutual long-term objective of reunification, and to an expanded role for the U.N. in the unification process. The United States expedited the phased reduction and restructuring of its military presence, stimulated by North Korea's renunciation of nuclear weapons in June and its agreement to allow IAEA inspection of its nuclear facilities.

Meanwhile, nationalism continued to grow throughout the region, fueled by rising frustration over the inability of local governments to control the by-products of economic interdependence. Resentment of foreign, especially Japanese and American, investment rose alarmingly in those countries where social and economic disparities were greatest. The dissipation of internal insurgencies bolstered the self-confidence of many of the key Asian nations and enabled them to direct greater attention to long-term external threats, while weakening their security ties with the retrenching United States.

A particular problem was Indonesia, where political instability in the wake of President Suharto's sudden death in 1994 intensified protracted economic difficulties. The new government that replaced Suharto's weak civilian successor eleven months later began to give greater emphasis to Islamic principles—as a vehicle for arousing nationalist sentiment and bolstering domestic political support—while it moved to discredit Suharto's state philosophy of Pancasila and clamp down on domestic dissent. Fanning nationalist and anti-foreign sentiment, the government aggressively asserted its claim to sovereignty over the Malacca, Sunda, and Lombok straits and its right to protect the region's "Zone of Peace, Freedom, and Neutrality" (ZOPFAN). It also began stimulating separatist sentiments in the Philippines and Malaysia, while accelerating the military buildup begun in the late 1980s. By 1998, Indonesia had significantly expanded its military forces and acquired a substantial power-projection capability. It had also made progress in establishing a de facto "protectorate" over oil-rich Brunei, with a view toward its own declining petroleum reserves.

Angered by U.S. designations of Indonesia as a "human rights violator" and its inability to secure development loans from international lending agencies, the Indonesian government announced in October 1998 that henceforth all ships would be required to pay a "passage fee" when transiting the straits. In November, Indonesia began naval patrols and announced that it would fire on any vessel that attempted to avoid paying. Two weeks later an Indonesian frigate fired on a tanker bound for Korea. After fruitless protests in the U.N., the United States began consulting with Korea, Japan, and Australia about a multinational naval contingent and an expeditionary force to assert its rights to freedom of the seas.

Pluralistic Open Détente with North Korea Not Participating

An environment of pluralistic open détente with North Korea *not* participating would present multiple sources of potential conflict: succession turmoil in Pyongyang; North Korean economic desperation; public discontent in North Korea over political and economic conditions; political instability in South Korea; and South Korean preemptive moves against North Korean nuclear facilities or military retaliation to terrorist activity by Pyongyang. The prospects for conflict developing from any of these sources would be heightened

significantly by Korean perceptions of diminished U.S. resolve. Assuming a gradual superpower disengagement and a continuation of the status quo in North Korea, *the greatest concern in this environment would be local, but major war on the Peninsula*. Scenario B below depicts the danger.

Scenario B

Tensions heightened perceptibly on the Korean Peninsula following the U.S.-USSR agreement on "Nonintervention in Local Disputes" and the U.S. announcement of additional force drawdowns from Korea. In the absence of any tangible signs of North Korean sincerity or progress in North-South deliberations, South Korea accelerated its military buildup—which it had cut back in 1990 and 1991 in response to strong domestic pressures—and introduced a revised "National Security Preservation" bill in the National Assembly designed to rein in the free-wheeling South Korean media and give enhanced powers to the President. Rumors spread of South Korean moves to develop a nuclear weapons capability. North Korea suspended the long-deadlocked talks on opening the border and resumed its vitriolic denunciations of the South Korean government, accusing the "fascist puppets who are more bloodthirsty than Hitler" of seeking to "enslave" the Korean people and undermine the "irreversible" trend toward peace and unification.

In this environment, the news of Kim Il Song's death and succession of his son Jong Il sent tremors across the Peninsula. Under strong U.S. and Japanese urging, the South Korean government responded moderately—calling for national restraint and offering a "hand of friendship" to North Korea—but the high level of South Korean concern was palpable. Signs of leadership dissension in Pyongyang were unmistakable. South Korean President Roh, pointing to the new uncertainties in Pyongyang and drawing on his party's two-thirds parliamentary majority, "suspended" the pending presidential elections, setting off a huge public outcry and massive student demonstrations throughout the country.

Meanwhile, in a move to quiet his own domestic discontent and bolster his shaky political position, new North Korean leader Kim Jong Il gave a major speech at a hastily called Korean Workers Party Congress, trumpeting the new "threat" from South Korea. Denouncing the "nefarious designs" of the "south Korean lackeys," he called for a "militarization of the national body and spirit" under the "Three Pillars for National Salvation." Rhetoric remained high over the next several months, but no provocative actions occurred to reverse the U.S. decision on force reductions. By the end of the year, the United States resumed troop withdrawals, aiming toward achieving a symbolic "trip wire" presence of one brigade by 1997.

The following month, the South Korean government closed down all universities in response to mounting student demonstrations and announced a callup of military reserves to fill in for units deployed to secure order in the cities. North Korea, citing this as evidence of the "fascists'" intention to "subjugate" the masses and "launch a war of aggression on the backs of the people," warned of "unimaginable retribution" if South Korea continued to resist "democratization" and "peaceful unification." In Washington, pressures mounted for a withdrawal of the remaining U.S. military presence from Korea, with critics denouncing the human rights abuses in South Korea and pointing to Korea as the first "test case" of the U.S.-USSR agreement on noninvolvement. News agency reports of major troop movements on both sides of the 38th parallel prompted Japan to seek urgent consultations among the major powers in the U.N.. Japan also sent Yoshio Takamori, a senior LDP leader with close ties to

South Korean President Roh, to Seoul with a private message from Prime Minister Hashimoto.

On December 22, North Korean radio broadcast a proposal for new high-level talks to break the deadlock in North-South relations and achieve "democracy throughout the nation." The North Korean Communist Party organ Rodong Shinmun followed this up the next day with the full text of a speech by Kim Jong Il calling for immediate summit talks between South Korean President Roh and himself to sign a nonaggression agreement and a "Statement of Agreed Steps Toward Peaceful Reunification." On the afternoon of December 24, early Christmas morning in Korea, CNN reported military engagements at several points along the DMZ. That afternoon it reported large-scale battles along the central corridor, along with conflicting accounts of how the battles started. At U.S. request, the U.N. Security Council was called into a late-night session.

Loose Bipolarity

Should trends result in more of a "loose bipolar" environment than that in the two scenarios described above, there would still be a danger of large-scale warfare. But *the most likely conflict contingency would be one short of local major war*, since the active involvement of the United States in South Korea's defense would probably continue to deter major North Korean aggression. Such a contingency would most likely arise from, or take the form of, North Korean terrorism or acts of subversion.

Scenario C

Gorbachev's "retirement" surprised no one, given his growing fatigue and publicly evident disenchantment with the effort to reform Soviet society. The new Soviet collective leadership reaffirmed Moscow's commitment to détente and the "global abolition of nuclear weapons" but also pledged to "reverse the years of decay and demoralization" and "restore (Moscow's) leading role in the world socialist movement." Stressing the need to "end the (former government's) malaise of the spirit," the leadership called for a "return to core Russian values and socialist principles." The new Communist Party General Secretary made a surprise trip to Beijing and Pyongyang, which was followed up by Kim Il Sung's visit to Moscow. Reports that new USSR-DPRK agreements were reached on economic and military aid were confirmed by resumption of Soviet technical assistance to Soviet-built North Korean factories and U.S. satellite photos of Soviet MiG-31 deliveries. START II talks continued between the superpowers but made little progress in the wake of the new Soviet insistence on "symmetry."

Over the course of the following spring and summer, U.S. Congressional pressures for further cutbacks in U.S. military spending abated considerably. In September, a Congressional resolution for the total withdrawal of U.S. forces from Korea was shelved without a vote for the second year in a row. The United States publicly reconfirmed its commitment to defend South Korea "with any and all weapons at its disposal" on the occasion of new South Korean President Kim's visit to Washington. In November, a joint communique issued following Secretary of Defense Cheney's visit to Seoul reaffirmed the U.S. intention to continue moving toward a "supportive role" but formally shelved all talk of a "timetable" and linked further reductions of U.S. troops to concrete changes in North Korea. Plans were also announced for expanded Team Spirit exercises the following March, after three years of

gradual reductions. The Japanese agreed to U.S. requests for increased financial support for the U.S. military presence in Japan but made clear that Japan's own domestic situation precluded the acceptance of new military roles or expanded regional responsibilities.

Meanwhile, the political situation in South Korea continued to deteriorate. Major protests against the new government, which critics claimed took power in fraudulent elections, took place on a daily basis. A generally peaceful demonstration on December 5 at Yido Plaza involving roughly 750,000 people was notable not only for its size but also for the prominent participation of both workers and middle class citizens. Speakers at the demonstration supported the mass resignation of the opposition parties from the National Assembly and called for new elections.

North Korea publicly affirmed its support of the (South Korean) "people's democratic aspirations" and demanded the resignation of the "fascist ruling clique." On December 8, it suspended all North-South discussions as a gesture of support toward the "oppressed South Korean masses." A large-scale demonstration the following day turned violent when radicals tried to march on the Blue House. That evening, bombs exploded in key government buildings in Pusan, Taegu, Kwangju, and three other cities, killing four South Koreans and injuring thirteen others. The South Korean government claimed the bombings were the work of saboteurs from North Korea. Pyongyang praised the "courage" of the (South Korean) "masses" but categorically denied any role in the bombings. A report coming into the Combined Forces Command (CFC) on the morning of December 12 that a South Korean patrol boat had been seized, apparently in international waters, by North Korean naval vessels set off hurried consultations between Seoul and Washington.

Renewed Polarization

The principal concern in the fourth environment, "renewed polarization," would be the possibility of major-power conflict. Never in the postwar period have the prospects for such a conflict appeared so low. The canonical scenario used in the past—a spillover into Northeast Asia of a U.S.-USSR conflict elsewhere—is declining in plausibility, along with the general decline in the prospects for war between the superpowers. Relations between China and the Soviet Union are improving, and each side has strong incentives to avoid confrontations. Despite its currently grim internal situation, Beijing's paramount interest remains economic development and modernization, which aggressive external actions would seriously jeopardize. Neither the Soviets nor the Chinese have an interest in encouraging North Korean adventurism, which could easily drag them into unwanted war with the United States. Still, as the following scenario suggests, major-power conflict is not inconceivable.

Scenario D

The improvement in Sino-Soviet ties that began under Gorbachev and moved further following his successor's visit to Beijing was given a new boost by the new Chinese Communist Party General Secretary's visit to Moscow. In addition to signing agreements providing for significantly expanded economic and technical assistance, the Soviets offered to resume sales to China of sophisticated military equipment. Publicly identifying "revived Japanese militarism" as the greatest threat to regional security and "the common enemy of all peace-

loving people," the two sides agreed to expand bilateral military cooperation to "meet the common danger." The Soviet statement denouncing "outside efforts" to interfere in China's domestic situation was particularly welcomed by Chinese leaders, who had been buffeted by international criticism since the government crackdown that followed the death of Deng Xiaoping and the overthrow of former Communist Party leader Jiang Zemin.

The announcement of harsh new sanctions against China by the Four Power (U.S.-Canada-EC-Japan) Summit in response to Beijing's "Bloody Monday" suppression of the pro-autonomy demonstrations in Xinjiang in October 1993 set off a xenophobic reaction in China. Mobs of pro-government ruffians, reminiscent of the "Red Guards" of the 1960s, attacked foreign consulates and offices throughout China. The move by PLA forces to seal off foreign compounds in Beijing limited damage to most Western embassies, although the sacking of the French embassy—an act that appeared to have official sanction—and the beating of a Japanese embassy official precipitated a withdrawal of most senior Western diplomats as a gesture of protest and solidarity.

Beijing's efforts in November to assert its claims to oil development sites contested by Japan and South Korea in the Yellow Sea set off hurried consultations between these countries and the United States and expedited plans to form a Northeast Asia Unified Command within U.S. Pacific Forces. The Soviet Union urged "restraint" by all parties but supported China's historic claim to the areas. Trumpeting their "everlasting friendship" which, "closer than lips and teeth" and "sealed in blood," would "endure throughout history," a joint statement issued after high-level Chinese/North Korean talks in early December pledged solidarity in the face of intensified "imperialist" and "Japanese militarist" aggression.

Meanwhile, the harsh steps Beijing announced toward Hong Kong the preceding May significantly strengthened support within Taiwan for Taiwanese independence. The parliamentary elections in April 1994 resulted for the first time in a majority for the native Taiwanese-dominated National Independence Party. Alarmed, Beijing announced a suspension of all exchanges with Taiwan and warned of "serious retribution" if the government moved toward independence. Backing up its threat, Beijing formally reestablished the Fuzhou Military Region, moved three additional army divisions into Fujian Province, and intensified its naval patrols in the Taiwan Strait. Trying to suppress its own separatist movements, the Soviet Union criticized "imperialist efforts to foment discord and division" and announced its support for China's "territorial integrity." Western efforts to involve the U.N. in efforts to defuse tensions were blocked by Chinese and Soviet opposition to the interference of "outsiders" in the "internal affairs" of China.

In this environment, the sudden death of Taiwan President Lee Teng-hui—who had worked quietly but diligently to improve relations with Beijing—and his replacement by a hardline leader in June significantly heightened tensions throughout the region. The new president did nothing to alleviate these tensions in his inaugural speech. Noting the stepped up Chinese pressure and alluding to Taiwan's "impending day of reckoning," he urged "all those who cherish freedom and independence" to unite behind his leadership. He bolstered this call by announcing an immediate increase in Taiwan's defense spending—which, at 35 percent of the national budget, was already the highest in Asia as a proportion of total government outlays—and new deployments of troops to the western region. On July 2, China sent a military expedition to two uninhabited but contested islands off Taiwan's southern coast as a warning against any formal movement toward Taiwanese independence. A late-night emergency meeting of the U.N. Security Council called by the United States to protest China's action was interrupted by newswire reports of shelling across the Taiwan Strait. By morning, it was clear that full-scale warfare was in progress. President Bush cut short a visit

to Atlanta and returned to Washington, just as an urgent request for U.S. assistance arrived in the White House from Taiwan's government.

Communist Disintegration

However likely the four scenarios above may or may not be, each involves specific military contingencies that are plausible—or at least conceivable—based on extrapolations of existing trends. Identifying conflicts stemming from major *discontinuities* is more difficult. One potential cause for a more radical transformation of the existing security environment, however, stands out: the crisis of Communism. Should this crisis lead to the complete disintegration of the key Communist countries, we could see a “Lebanonization” of politics on and around the Eurasian land mass and a very different kind of world than anything we’ve yet experienced.

U.S. concerns in such a world would probably be twofold: to limit the scale of fighting and its effects on innocent civilians, and to avoid direct military involvement. There could be situations, however, in which important U.S. interests would be directly challenged. The scenario below posits three major discontinuities that could produce a contingency warranting military reaction: a complete disintegration of the Soviet Union, the development of “warlordism” in China, and the unification of South and North Korea on South Korean terms.

Scenario E

The social convulsions sweeping the Communist world reached new heights with the declaration of independence by the Russian Republic on July 4. Emphasizing the symbolism of the date, Republic leaders pledged to create a “new order” for Russia and a “better deal” for the Russian people. Within hours, the Soviet President disbanded the republic’s legislature and ordered Soviet troops to seize key government offices and installations. He also declared martial law in six other republics in an effort to contain ethnic strife and halt the erosion of central authority. Massive demonstrations and unrest throughout the Soviet periphery, however, together with widespread local Army defections, made the reassertion of central control impossible.

This turmoil quickly spread across Soviet borders. Within weeks, Isa Alptekin, leader of the Islamic independence movement in China’s Xinjiang province, declared the establishment of an independent “Republic of East Turkestan.” Anti-Chinese leaders pushed openly for independence for Tibet. And a popular movement to defy Beijing’s ban on dealings with Taiwan spread rapidly in Fujian and Guangdong provinces. Meanwhile, an intensified power struggle split the Chinese Communist Party and paralyzed central leadership. By May, the divisions were so pronounced that two regional commanders appointed by President Yang, Zhang Xumin in the northeast and Wu Xujiang in the central / southwest, were able to ignore instructions from Communist Party General Secretary Hu in Beijing to disarm their personal armies, with Wu declaring his intention to “rescue” China from the “corrupt, ineffectual (central) authorities” and restore order. Zhang’s movement was a special problem for Korea.

Newly unified after North Korean leader Kim Jong Il's successor, Park Yu-suk, agreed to absorption by South Korea—in the wake of the widespread unrest and mass exodus that followed the opening of the country—the Republic of Korea was torn between a desire to support the native Korean-Chinese Zhang and an interest in protecting the new republic from conflict with the central Chinese authorities.

The United States privately encouraged South Korea to avoid entanglement in China's civil strife. With one eye on China and the other on anxieties in both Korea and Japan, Secretary of Defense Cheney visited Korea, where he publicly reconfirmed the U.S. defense commitment and reiterated its intention to retain an active military presence in the region. Two days later, Chinese media leveled a blistering attack on the United States and the Republic of Korea, warning Korea not to intervene in China's internal affairs. On August 15, a group of ethnic Korean-Chinese blew up a Chinese train carrying supplies and ammunition to People's Liberation Army (PLA) troops in Manchuria. Thirty-four people were killed, including the Deputy Commander of the PLA's Northeast Army. Claiming that the bomb was manufactured in the Republic of Korea, Beijing threatened retaliation. Korean President Roh immediately appealed to the United States for assistance.

V. IMPLICATIONS

A number of broad implications can be drawn from the preceding discussion. First, at the most general level, the Communist crisis and the move away from tight bipolarity significantly increase the range of uncertainties and potential conflict contingencies in the region. This is, of course, a global phenomenon, but it also has applicability to Asia. Whatever the dangers associated with the long competition between the two superpowers, the Cold War structure provided some basis for stable expectations. It helped ameliorate, or at least subordinate, local tensions between historical antagonists (e.g., China/Vietnam, Indonesia/Malaysia, Korea/Japan). And it ensured an active U.S. regional presence, which helped stabilize an area permeated by historic rivalries but lacking any regionwide security structure. Recent trends suggest a much more complex environment, one involving many more actors, significantly increased national capabilities, and decreased superpower ability to influence the course of events.

Second, because of this more complex environment, regional military planning can no longer remain focused so heavily on the assumption of global war with the Soviet Union. While such a war will remain a possibility as long as the United States and the Soviet Union remain global strategic rivals, its likelihood is rapidly diminishing—if it hasn't already evaporated. Similarly, a massive, surprise invasion by North Korea, while still the major and most serious danger, is not the only potential threat to U.S. and ROK interests. Bilateral military planning will increasingly have to factor in additional scenarios and develop the ability to respond discreetly and selectively to a range of possible contingencies.

Third, among the environments described in Sec. IV, the danger of large-scale warfare on the Korean Peninsula would appear greatest in an environment of “pluralistic open détente with North Korea not participating.” This may seem somewhat counterintuitive. The emphasis on economic reform by the Communist powers and broader global trends toward détente and interdependence heighten the interests of all the major powers in peace and stability, and this will inevitably affect the situation on the Korean Peninsula. But such an environment also involves increasing North Korean isolation, perhaps desperation, and a significant drawdown and restructuring of the U.S. military presence. Together with leadership succession in the North and political instabilities in the South, this contributes to a very uncertain short-term future. The fact that such an environment is precisely what we appear to be entering makes the coming period particularly dangerous.

Fourth, the *greatest* danger is not necessarily the *most likely* danger. Much of the concern in an environment of "pluralistic open détente with North Korea not participating," as mentioned above, emanates from the assumption of a significantly reduced U.S. role on the Peninsula and increased North Korean incentives to try to alter the fundamentally adverse (from Pyongyang's perspective) long-term trends. As long as the United States avoids a unilateral and precipitate withdrawal and, *together with South Korea*, maintains a credible deterrent to North Korean adventurism, the threat of large-scale warfare on the Peninsula will diminish over time. South Korea's growing ability to play a larger role in its own defense will also strengthen the deterrent to potential North Korean aggression. Assuming these conditions are met, the *most likely* military contingency would be conflict short of local, major war.

In light of the complexities and uncertainties of the global and regional situations, several principles or guidelines for American and Korean policies can be suggested:

- *The primary U.S.-ROK military objective over the coming period should remain deterrence.* In the absence of change in North Korea and in light of the uncertainties and potential instabilities involved, an ability to deter, and if necessary defend against, a large-scale North Korean attack will remain the paramount requirement. The changes in the Soviet Union and the improvement in superpower relations may influence the overall situation, but, absent major changes in North Korea, they will not fundamentally alter the security equation on the Korean Peninsula.
- *Deterrence should be considered in terms of combined U.S.-ROK efforts.* The reality, of course, is that the South Koreans already play the largest role on the ground in defending their country, and their rising economic and military capabilities enable them to gradually expand this role further. The aim should be to optimize the combined U.S.-ROK combat capabilities. Greater emphasis on roles and missions could facilitate the restructuring of U.S. forces while maintaining the deterrent to potential North Korean aggression.
- *Linkage should be maintained between further U.S. military drawdowns and concrete changes in North Korea, without holding desirable U.S. adjustments hostage to North Korean actions.*
- *In restructuring and reducing U.S. forces, the United States should:*
 - Proceed gradually in a step-by-step manner;

- Maintain ample symbols of continued U.S. commitment and involvement, especially the symbolic U.S. flag over CFC headquarters;
- Defer further U.S. Air Force drawdowns;
- Demonstrate increased air and naval reinforcement capabilities in tandem with force reductions;
- Aim toward the gradual assumption by South Korea of full operational control over ROK forces;
- Explore ways in which arms control measures might enhance the balance of power on the Peninsula.
- *Inducements to encourage North Korean changes should be given priority attention.* A desperate, cornered North Korea is in no one's interest. South Korea itself has recognized this and has encouraged efforts to end Pyongyang's isolation. The United States should build on its present efforts to signal North Korea that concrete changes on its part will solicit equally concrete changes in U.S. policies.
- *The U.S. military presence in the region as a whole needs to be considered more in terms of "system stabilization."* Although we have not seen the same kinds of changes in Asia—particularly in North Korea—that we have seen elsewhere, the dramatic developments within the Soviet Union and the disintegration of the Cold War as the basic ordering device of international politics affect the foundations of postwar American security policy. U.S. regional military planning will have to adapt to this new environment. Increasingly, the U.S. regional force posture will have to be conceived in terms of the role of U.S. forces in fostering regional peace and stability.
- *Finally, greater analytic effort needs to be paid to the issue of surprise.* For better or worse, change now constitutes the tenor of the times. Much of this change is historic in nature. Although future events may be neither as dizzying nor as dramatic as those of the past 18 months, the basic trends provide little ground for stable expectations. The message for planners is clear: Plan for uncertainty.